VZCZCXRO1433 RR RUEHCHI RUEHDT RUEHFK RUEHHM RUEHKSO RUEHNH RUEHPB DE RUEHKO #0984/01 1190011 ZNY CCCCC ZZH R 290011Z APR 09 FM AMEMBASSY TOKYO TO RUEHC/SECSTATE WASHDC 2622 INFO RUCNASE/ASEAN MEMBER COLLECTIVE RUCNARF/ASEAN REGIONAL FORUM COLLECTIVE RUEHZU/ASIAN PACIFIC ECONOMIC COOPERATION RUEHBJ/AMEMBASSY BEIJING 9034 RUEHBY/AMEMBASSY CANBERRA 3151 RUEHNE/AMEMBASSY NEW DELHI 8687 RUEHUL/AMEMBASSY SEOUL 5056 RUEHWL/AMEMBASSY WELLINGTON 1177 RUEHKSO/AMCONSUL SAPPORO 4289 RUEHNH/AMCONSUL NAHA 6090 RUEHFK/AMCONSUL FUKUOKA 3752 RUEHOK/AMCONSUL OSAKA KOBE 7554 RUEAIIA/CIA WASHDC RUEKJCS/CJCS WASHINGTON DC RHHJJPI/PACOM IDHS HONOLULU HI RHMFISS/USFJ RUEKJCS/SECDEF WASHDC RHEFDIA/DIA WASHINGTON DC RHEHAAA/NSC WASHDC

C O N F I D E N T I A L SECTION 01 OF 03 TOKYO 000984

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TAGS: PREL ECON JA CH

SUBJECT: JAPAN-CHINA: BROADENING ENGAGEMENT ON EVE OF PM

ASO'S BEIJING VISIT

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Classified By: CDA James P. Zumwalt for reasons 1.4 (b) and (d)

- 11. (C) SUMMARY: Japanese Prime Minister Taro Aso's scheduled April 29 trip to Beijing represents the culmination of engagement efforts during the past year aimed at promoting confidence in bilateral ties, addressing mutual concerns, and exploring areas of potential cooperation. Aso's meeting with Chinese President Hu Jintao will be his third with Chinese leaders this month and comes at the end of a series of significant visits, such as Japanese Foreign Minister Hirofumi Nakasone's and Defense Minister Yasukazu Hamada's trips to Beijing in March. The high-level exchanges, however, have not addressed adequately longstanding issues that continue to plague the relationship, such as Japanese concerns about the lack of transparency of Chinese military modernization and intentions, as well as longstanding territorial and maritime disputes. END SUMMARY
- 12. (C) Japanse Government officials have been busy preparing for PM Taro Aso's scheduled trip to Beijing on April 29. They point to the legwork that has already been done in expanding bilateral ties and maintaining the "mutually beneficial relationship based on common strategic interests" initiated last May during Chinese President Hu's visit to Japan. The summit in Beijing will touch on key issues such as the global financial crisis, climate change, and regional affairs, including political stability in Afghanistan and human rights in Sudan, noted officials from MOFA's China and Mongolia Division during recent discussions with Embassy Tokyo.
- 13. (C) Embassy contacts view the summit as further evidence of "improving" and "thawing" bilateral relations. Ties are "back on track" following the tension-filled years of Prime Minister Junichiro Koizumi, former Japanese Ambassador to China Sakutaro Tanino explained. He noted that Prime Minister Aso has met the minimal requirements to sustain the

goodwill generated from his immediate predecessors, former Prime Ministers Yasuo Fukuda and Shinzo Abe. Aso's role is to cultivate mutual trust, added Tanino. In this vein, Aso has built an active schedule centered on high-level summits, as evidenced by the Prime Minister's meetings with Chinese leadership last year at the Asia-Europe Meeting, APEC, and the Japan-China-South Korea trilateral in Fukuoka Prefecture in December, according to MOFA China Division officials. Aso met President Hu again this April at the G-20 Economic Leaders Summit in London and Chinese Premier Wen Jiabao one week later during the disrupted ASEAN Summit in Thailand. MOFA officials also highlight the importance of recent legislative exchanges, including recent visits by Chinese Communist Party (CCP) Central Committee International Liaison Department Chief Wang Jiarui, National People's Congress Vice Chairman Li Jiangguo, and CCP member Li Changchun.

Military Ties

¶4. (C) Military exchanges are also accelerating, stressed Japanese diplomats and defense officials. They note that Chinese leadership seems to be more comfortable than in the past in holding such meetings and in discussing "China-focused" issues. They specifically highlight Defense Minister Yasukazu Hamada's March trip to China, where he met National Defense Minister Liang Guanglie and National People's Congress Chairman Wu Bangguo. The last time Japan's top defense official visited China was in 2003, when Beijing hosted then-Defense Chief Shigeru Ishiba for five days. Although Hamada spent only two days in China, the visit was "very successful," said MOD International Policy Division

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Principal Deputy Director Mitsuko Hayashi. Both sides discussed potential cooperation in areas of peacekeeping operations, natural disaster recovery, and anti-piracy. Later this year, Liang will make a reciprocal visit to Japan, the chiefs of staff of Japan's three Self-Defense Force branches will visit China, and a Chinese naval vessel will make a reciprocal Japanese port visit. Tokyo and Beijing also plan to conduct exchanges between military colleges and between field grade and junior grade officers.

15. (C) Embassy contacts also stressed the significance of the eleventh China-Japan vice-ministerial security dialogue between Deputy Foreign Minister for Political Affairs Kenichiro Sasae and Defense Councilor Yoshiyuki Suzuki and their Chinese counterparts, held on March 29 after a roughly two-year hiatus. The discussions were admittedly "light on substance," but both sides used the dialogue to expound on their respective security and defense policies and to exchange views on mutual concerns about weapons proliferation and North Korea, for example, said MOFA's China Division.

Economic Ties

16. (C) Economic ties are strong despite ongoing concerns about Chinese food safety, noted MOFA's China Division. Tainted Chinese food products are still on the mind of Japanese consumers, said Tanino separately. Chinese President Hu told Prime Minister Aso in London that Beijing continues to take the dumplings case seriously, reported MOFA China-Japan Economic Affairs Division Director Masashi Ogawa. Tokyo and Beijing are also aiming to restart the long-stalled high-level economic dialogue some time in June. Chinese economic prospects are relatively positive -- evidenced by 6 percent first-quarter growth -- and China can be considered an economic bright spot, Ogawa observed.

Still Looking for Opportunities for Frank Discussion

- 17. (C) Japan-China relations are complex and still rife with problem areas, Ambassador Tanino explained. While China is exuding great confidence, particularly after hosting the 2008 Olympics, the Japanese are "uneasy" about China's growing regional influence, military modernization, and human rights situation. Bilateral ties still have "a long way to go," Tanino concluded.
- 18. (C) Despite a number of high-level engagements, Japan continues to search for the appropriate venue for frank discussions on key concerns such as Chinese military modernization and longstanding maritime and territorial disputes. China must take a more "sophisticated approach" to explaining its regional and international security policies, Tanino stressed. For their part, MOD officials want to establish regular working-level defense exchanges. Right now both sides are only engaging in high-level and low-level talks with "nothing in between," lamented Hayashi. For example, Hamada raised China's recent announcement about its planned aircraft carrier production program as well as Japanese concerns over the East China Sea with National Defense Minister Liang, but Liang spent considerable time explaining the defensive posture of Chinese military activities and the transparent nature of China's Defense White Paper. MOD officials reported Liang to have said that, like India, China needs an aircraft carrier program to protect its interests and that China's recent activities in the East China Sea are normal responses to behaviors that

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violate such interests. MOD and MOFA contacts confirmed that Chinese interlocutors adopted the same attitude during the vice-ministerial dialogue and could only engage Japanese concerns in a "light-hearted matter." The East China Sea and disputes over the Senkaku Islands remain a "big problem," MOFA's China Division noted.

19. (C) Gaps also remain on North Korea. National People's Congress Chair Wu replied "flatly" to Hamada's plea for greater cooperation on issues related to Pyongyang's missile launch and, while emphasizing peace and stability and the maintenance of Six-Party Talks, Wu encouraged concerned parties to stay "cool." China may say it understands Japanese concerns, but Chinese officials are not providing direct answers on how to persuade North Korea to act in a constructive, positive manner, MOD officials stated.